

**Subpart D—Proceeds of Sale**

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AUTHORITY: 19 U.S.C. 66, 1311, 1312, 1484, 1485, 1490, 1491, 1492, 1506, 1559, 1563, 1623, 1624, 1646a; 26 U.S.C. 7553.

SOURCE: T.D. 74-114, 39 FR 12092, Apr. 3, 1974, unless otherwise noted.

**§ 127.0 Scope.**

This part sets forth regulations pertaining to general order merchandise, unclaimed merchandise, and abandoned merchandise, the storage and sale thereof, and the distribution of the proceeds from the sale thereof. Regulations regarding the abandonment of merchandise by the importer to the Government in accordance with section 506(1), Tariff Act of 1930, as amended (19 U.S.C. 1506(1)), appear in part 158 of this chapter.

**Subpart A—General Order Merchandise****§ 127.1 Merchandise considered general order merchandise.**

Merchandise shall be considered general order merchandise when it is taken into the custody of the port director and deposited in the public stores or a general order warehouse at the risk and expense of the consignee for any of the following reasons:

- (a) Whenever entry of any imported merchandise is not made within the time provided by law or regulations prescribed by the Secretary of the Treasury.
- (b) Whenever entry is incomplete because of failure to pay estimated duties.
- (c) Whenever, in the opinion of the port director, entry cannot be made for want of proper documents or other causes.
- (d) Whenever the port director believes that any merchandise is not correctly or legally invoiced.
- (e) Whenever, at the request of the consignee or the owner or master of the vessel or person in charge of the ve-

hicle in which merchandise is imported, any merchandise is taken possession of by the port director after the expiration of 1 day after entry of the vessel or report of the vehicle.

(Sec. 490, 46 Stat. 726, as amended; 19 U.S.C. 1490)

**§ 127.2 Withdrawal from general order for entry or exportation.**

(a) *Exportation within 6 months from date of importation.* Merchandise in general order may be exported without examination or appraisal if the merchandise is delivered to the exporting carrier within 6 months from the date of importation. This merchandise may be entered within 6 months from date of importation for immediate transportation to any port of entry designated by the consignee.

(b) *After expiration of 6 months from date of importation.* Entry for immediate transportation shall be permitted after the expiration of the 6-month period only for the purpose of filing an entry for consumption at the port of destination.

(c) *Withdrawal of less than single general order lot.* The withdrawal from general order of less than a single general order lot shall not be permitted except as provided for in § 141.52 of this chapter.

(Sec. 490, 46 Stat. 726, as amended; (19 U.S.C. 1490))

[T.D. 74-114, 39 FR 12092, Apr. 3, 1974, as amended by T.D. 98-74, 63 FR 51290, Sept. 25, 1998]

**§ 127.4 General order period defined.**

The general order period is that period of time during which general order merchandise, as defined in § 127.1, is not subject to sale. The general order period expires 6 months from the date of importation.

[T.D. 79-221, 44 FR 46814, Aug. 9, 1979, as amended by T.D. 98-74, 63 FR 51290, Sept. 25, 1998]

**Subpart B—Unclaimed and Abandoned Merchandise****§ 127.11 Unclaimed merchandise.**

Any entered or unentered merchandise (except merchandise under section 557, Tariff Act of 1930, as amended (19

U.S.C. 1557), but including merchandise entered for transportation in bond or for exportation) which remains in Customs custody for 6 months from the date of importation or a lesser period for special merchandise as provided by § 127.28 (c), (d), and (h), and without all estimated duties and storage or other charges having been paid, shall be considered unclaimed and abandoned.

(Sec. 491, 46 Stat. 726, as amended; (19 U.S.C. 1491))

[T.D. 79-221, 44 FR 46814, Aug. 9, 1979, as amended by T.D. 98-74, 63 FR 51290, Sept. 25, 1998]

#### § 127.12 Abandoned merchandise.

(a) *Involuntarily abandoned merchandise.* The following shall be considered to be involuntarily abandoned merchandise:

(1) Articles entered for a trade fair under the provisions of section 3 of the Trade Fair Act of 1959 (19 U.S.C. 1752), which are still in Customs custody at the expiration of 3 months after the closing date of the fair for which they were entered. (See § 147.47 of this chapter.)

(2) Any imported merchandise upon which any duties or charges are unpaid, remaining in a bonded warehouse beyond the 5-year warehouse period.

(b) *Voluntarily abandoned merchandise.* The following merchandise shall be considered to be voluntarily abandoned merchandise and the property of the United States Government:

(1) Merchandise which is taken possession of by the port director at the request of the consignee, or owner or master of the vessel or person in charge of the vehicle in which the merchandise was imported.

(2) Merchandise abandoned by the importer to the United States within 30 days after entry in the case of merchandise not sent to the public stores for examination, or within 30 days after the release of the examination packages or merchandise in the case of merchandise sent to the public stores for examination.

(3) Articles entered for a trade fair under the provisions of section 3 of the Trade Fair Act of 1959 (19 U.S.C. 1752), which have been abandoned to the United States within 3 months of the closing of the fair.

(4) Merchandise in a bonded warehouse abandoned by the consignee within 3 years from the date of original importation. (See subpart D of part 158 of this chapter.)

(Secs. 490, 506, 559, 563, 46 Stat. 726, as amended, 732, as amended, 744, as amended, 746, as amended, sec. 4, 73 Stat. 18; (19 U.S.C. 1490, 1506, 1559, 1563, 1753))

[T.D. 74-114, 39 FR 12092, Apr. 3, 1974, as amended by T.D. 79-221, 44 FR 46814, Aug. 9, 1979]

#### § 127.13 Storage of unclaimed and abandoned merchandise.

(a) *Place of storage.* Unclaimed and abandoned merchandise shall be sent under a permit to a class 1 warehouse (public store) or to a suitable warehouse of class 3, 4, or 5 specially designated for the purpose by the port director. If no warehouse of these classes is available, the port director may, with the approval of the Commissioner of Customs, rent suitable premises in a class 2 warehouse. (For permit to discharge unclaimed cargo which is not unladen see § 4.37(f) of this chapter.)

(b) *Payment of storage and expenses.* Storage at the ordinary rates and all other expenses shall be paid by the owner or consignee of the merchandise upon entry thereof. If the goods are sold, such charges shall be paid from the proceeds of the sale to the extent that proceeds are available.

(Sec. 490, 46 Stat. 726, as amended (19 U.S.C. 1490))

#### § 127.14 Disposition of merchandise in Customs custody beyond time fixed by law.

(a) *Merchandise subject to sale.* If storage or other charges due the United States have not been paid on merchandise remaining in Customs custody after the expiration of the bond period in the case of merchandise entered for warehouse, or after the expiration of the general order period, as defined in § 127.4, in any other case, even though any duties due have been paid, such merchandise shall be sold as provided for in subpart C of this part unless entered or withdrawn for consumption in accordance with paragraph (b) of this section.

(b) *Entry of merchandise subject to sale.* Merchandise subject to sale (except